

THIRTY FIVE CENTS

NOVEMBER 1954

MONTHLY REVIEW

AN INDEPENDENT SOCIALIST MAGAZINE

SPOTLIGHT ON WEST GERMANY

THE EDITORS

THE ILLUSION OF FREEDOM

HENRY PRATT FAIRCHILD

CONFLICT IN THE BRITISH LABOR PARTY

POLITICAL ECONOMIST

VOL. 6

7

What Else Is There to Talk About?

See Page 237

EDITORS . . . LEO HUBERMAN . . . PAUL M. SWEETZ

CONTENTS

VOLUME SIX NUMBER SEVEN NOVEMBER 1954

REVIEW OF THE MONTH: Spotlight on West Germany	225
WHAT ELSE IS THERE TO TALK ABOUT?	237
THE ILLUSION OF FREEDOM: Part I, by Henry Pratt Fairchild	239
THE CONFLICT IN THE BRITISH LABOR PARTY by Political Economist	243
CARTOON by Fred Wright	249
WORLD EVENTS by Scott Nearing	250

MONTHLY REVIEW: Published monthly and copyright, 1954, by Monthly Review, Inc.

EDITORIAL AND BUSINESS OFFICE: 218 West 10th Street, New York 14, New York. Telephone: ORegon 5-6939.

MAILING ADDRESS: 66 Barrow Street, New York 14, New York. Address ALL communications to 66 Barrow Street.

SUBSCRIPTION PRICE: One year—\$3.00 (foreign, \$3.50); two years—\$5.00 (foreign \$6.00).

By 1st class mail — United States \$5; everywhere else \$6.

By air mail — No. America \$7; So. America \$13; Europe \$17; Asia \$24.

EDITORS: Leo Huberman and Paul M. Sweazy.

NOTES FROM THE EDITORS

As we go to press, first returns are coming in on the 1954 Monthly Review Associates appeal. We're keeping our fingers crossed, but so far the results seem to be running pretty close to last year's and we're hoping for the best. We strongly urge those of you who have not yet joined the Associates to do so and to contribute as generously as possible. *The continued existence of MR is entirely dependent on the success of the Associates appeal.*

This is not to say, of course, that we would be satisfied if the magazine just goes on existing. If MR is to perform its function, we *must* have more subscribers, and you are the only ones who can get them for us. You're going to be spending money for Xmas presents in the next month or six weeks. How about channeling some of it to MR, solving part of your gift problem, and helping us to get those much-needed new readers? The following special offer is designed with these objectives in view: For every *new* sub you send us, you get absolutely free one copy of I. F. Stone's book *The Truman Era* (list price, \$3). Thus for \$3 you can get *two* gifts worth \$6. The sub, with a gift card from you, goes to one address, the book, also with gift card, to

(continued on inside back cover)

SPOTLIGHT ON WEST GERMANY

We were wrong last month, badly wrong. We expected Mendès-France to fight to postpone German rearmament until the possibilities of negotiating a settlement with the Soviet Union had been exhausted, and we thought we saw clear signs that Washington and Bonn were getting ready to try to overthrow him as an accomplice or dupe of the Communists. As a matter of fact, there is now less doubt than ever that a plot against the French government was indeed being hatched: this is a large part, though not the whole, of the meaning of the Dides affair. And at the London conference, Mendès-France certainly did fight hard—but not for fresh negotiations with the East. Instead, he fought for a scheme of rearmament which he could sell to the French National Assembly.

It is too early to say that West German rearmament is a *fait accompli*. Moscow can probably still force new negotiations if it is prepared to make an attractive enough offer, and a popular revolution strong enough to bring about a last-minute alteration of French, and possibly even British, policy is not impossible. The international political weather has been subject to sudden and violent changes in the last couple of months, and it would be imprudent to assume that the hurricane season is over.

In the meantime, however, one thing is certain, that West Germany is going to become increasingly important both as object and as subject of international politics. This, combined with the fact that much nonsense has been published in the United States about Germany, makes it an opportune time to put recent developments in that country into some sort of historical perspective and to attempt to disentangle some of the factors that will be of decisive importance in the period ahead.

The Economic "Miracle"

In mid-1948 the official index of industrial production in West Germany (1938=100) still stood at less than 50. At the present time, it is nearing 150, half again higher than 1938 and some three times the 1948 level. This, in briefest summary, is what it has become fashionable to call the German economic "miracle." It is commonly

MONTHLY REVIEW

attributed to the drastic nature of the currency reform carried out by the Western occupying powers in July 1948, and to the orthodox (in the mid-Victorian sense of the term) economic and financial policies pursued by the Adenauer government in the years since 1948.

Actually, Germany's economic recovery bears no relation to a "miracle"; almost any currency reform would have done as well as, and some considerably better than, the one which was adopted in 1948; and the most that can be said for the policies of the Adenauer government is that they have not been an insuperable obstacle to the expansion of production. To understand the recent economic development of Germany, we must look elsewhere than to the romancing of the capitalist mythmakers.

It is first of all essential to remember that despite the appalling destruction which the air war inflicted on German cities, German productive capacity, in the sense of usable or easily reparable capital equipment, was considerably greater at the end of World War II than it had been at the beginning. This fact was fully proved by the *U. S. Strategic Bombing Survey* (1945), and it is the starting point of all rational discussion of Germany's postwar economy. The very low level of production which characterized the early years of peace was thus not due to lack of productive capacity but to such factors as a shortage of raw materials (especially coal), the bad state of the transport network, population dislocation (and movement), breakdown of the administrative apparatus, and the virtually universal prevalence of an extremely wasteful and time-consuming system of barter and black marketing.

By mid-1948, thanks partly to American financial aid which facilitated the import of raw materials, the situation was much improved in all these respects except the last, and it is therefore no wonder that the currency reform, which once again put West Germany back on a money economy, was followed by a sharp upturn of production. At the same time, it should be noted that the particular plan of currency reform imposed by the Allies was grossly inequitable as between various classes and strata of the population (for example, completely ruining those whose assets took the form of government bonds and richly rewarding those who had illegally hoarded stocks of raw materials or finished commodities), and that the simultaneous abandonment of most controls by the German government tended to divert much productive effort from socially urgent uses to satisfying the luxury demands of capitalists and speculators. The nearest thing to an authentic German miracle was the way the occupation authorities and the German Big Boys got away with the raw deal they put over on the country in 1948.

With the worst roadblocks removed, the enormous productive

capacity of the German economy could once again be brought into operation, provided, of course, that total demand expanded in an appropriate manner. And in this regard West Germany, in the years since 1948, has been blessed beyond the fondest hopes of all but the most fortunate of capitalist societies. In the first place, the destruction of German cities in World War II laid the basis for an almost unlimited building boom; and in the second place, world demand for German exports, spurred on by the post-Korea arms race, has so far continued to grow almost uninterruptedly. Hence, in spite of low wages (German metal workers, for example, were getting less than 50 cents an hour before last summer's strike compared to more than \$2 for American metal workers) and a resultant restricted market for consumer goods, German capitalists have been benefiting from a continuous buyers' market.

Under the circumstances, there is certainly no miracle about the expansion of German production. Keeping in mind the large initial productive capacity and the fact that West German manpower has been considerably expanded as compared to prewar by the influx of refugees from the East, we may well wonder that it has taken so long for production to reach a level 50 percent above 1938. For this, however, the economic policies of the Adenauer government provide a ready explanation. To avert the (doubtless real enough) dangers of inflation, the government has used the blunderbuss method of a generally restrictive monetary and fiscal policy rather than a flexible system of controls. The result has been to put the brakes on the expansion of production in a wholly unnecessary way. The proof of the wastefulness of this policy, and an ironic commentary on the allegedly brilliant achievements of Dr. Adenauer's brain trust, is the consistently high level of unemployment. The number of jobless workers at the end of 1953 was about eight percent of the total labor force, and even at its lowest point last summer, when seasonal factors were most favorable, it had hardly fallen below six percent. The comparable figure in the United States today, at a time when no one would care to call our economic condition miraculous, is five percent.

The New Gilded Age

It has been widely remarked that former Nazis occupy a large and growing number of leading positions in the economic and political life of West Germany. The facts are not open to doubt,* but

* The most impressive and complete compilation with which we are acquainted is contained in a series of articles in *Cahiers Internationaux* (beginning with the issue of February 1954) by A. P. Lentin who was chief of the French mission to the international Nürnberg Tribunal which conducted war crimes trials after World War II.

it does not follow that we are witnessing a full-fledged revival of Nazism. What is involved, rather, is a return to unrestrained power of the traditional West German ruling groups. These were overwhelmingly Nazi at a time when Hitler and Nazism seemed ideally suited to serve their purposes, and their assumption of leadership in the Bonn Republic necessarily means the elevation of former Nazis to top positions in government and industry. It is not at all clear, however, that these ruling groups are interested in recreating a regime like Hitler's. For the present, at any rate, they seem to prefer Adenauer's brand of conservatism, which has more in common with Taft Republicanism than with Hitler fascism; and as we shall see later, there are some reasons for thinking that in the future they may veer toward outright military rule.

The significant development in West Germany, then, is not so much the accession to power of former Nazis as the restoration and strengthening of the structure of monopoly capitalism on the one hand, and on the other hand the tightening grip of the representatives of Big Business on the key positions in government and politics. For obvious reasons, these trends have been most carefully studied and documented in East Germany,* but the main facts would hardly be denied by any serious observer of the contemporary West German scene. For example, the *Manchester Guardian Weekly* recently (August 26th) published an article entitled "Return to Cartels in West Germany" pointing up the complete failure of the much-advertised Allied policy of breaking up "undue concentrations of economic power." The regrouping of the coal and steel industries, which have always dominated German monopoly capitalism, is reported to be fully under way, and all the supposed safeguards which were being relied on to prevent the recartelization of German industry are proving to be quite impotent. The author of the article reports that Allied experts are now resigned to the view that only a few of the big combines have been finally "deconcentrated." But even this, he indicates, is rather dubious. One of the permanently broken-up firms is supposed to be I. G. Farben, and yet, according to the author, there is every sign that the three successor companies of I. G. Farben are already arranging to divide up markets and to concert common policies.

West German Big Business has been engaged not only in tidying up its own house after the mess left by the war and the early years of the occupation; it has also been busily entrenching itself in all the key positions in the government and in the bourgeois political

* The following two works by G. Baumann are especially rich in factual information: *Atlantikpakt der Konzerne* (1952) and *Eine Handvoll Konzernherren* (1953).

parties. By way of illustrating the successful nature of these operations, we may quote M. Lentin's characterization of the parliament and government which emerged from the elections of September 1953:

It is truly a Bundestag to order that they [the trusts] succeeded in getting elected. One finds there, shepherded by Pferdmeniges [Cologne banker and Adenauer's closest adviser], representatives of nearly all the great combines. Müser, commercial director of the Carolinenglück und Moltke collieries, is Vereinigte Stahlwerk's man; the Haniel combine is represented by Dr. Martin Blanck, director of the Gutehoffnungshütte establishments; the Klöckner combine by Berendsen, former general staff officer of the Wehrmacht; the Mannesmann firm by its general counsel, Dr. Pohle; and so on.

As to the government which the trusts caused to be named after the elections, it is equally "ad hoc," as they say in current European slang. Did not Pferdmeniges, who, according to the Swiss journal *Die Tat*, "represents the true power in the wings of the republican comedy," present Adenauer immediately after the elections with an enormous bouquet of forget-me-nots? No, the trusts have not been forgotten! Chancellor Adenauer who before the war was a member of the management of the Deutsche Bank and sat on the boards of fifteen large corporations, watches over the interests of the Rhenish-Westphalian electricity consortium, of the Union of manufacturers of artificial silk, of the Stein bank in Cologne, of the Pferdmeniges-Oppenheim bank, and of the Junkers aircraft company of Kassel where he has placed his sons Max and Konrad. Vice Chancellor Blücher is one of the directors of the Flick combine. Minister of the Interior Schröder is a Klöckner man; Hans Christian Seebohm, the Minister of Transport, is the defender of the interests of the German oil companies inside the government. Franz Würmeling, Minister of Family Affairs and Youth, represents the banker Werhahn, very influential in the affairs not only of the Dresdner and Kommerz Banks but also of Catholic employers' associations. Werhahn is also a director of the big Rheinisches-Westfälisches Elektrizitätswerk where he is associated with the banker Zinsser who is connected by business ties to Rockefeller and Morgan interests and by family ties to Chancellor Adenauer (Adenauer is Werhahn's cousin, and his son-in-law Hermann Joseph Werhahn is a member of the board of directors of the family bank). (*Cahiers Internationaux*, February 1954, p. 67.)

Against this background, it need be no cause for surprise that West German Big Business has done extremely well during the years of the Bonn Republic. Wages have remained depressed, partly due to the weakness of the trade unions and their preoccupation, at least until quite recently, with futile schemes of participating in management, and partly due to the pressure of the ever-present reserve army

of unemployed. On the other hand, soaring profits have been plowed back, in characteristic capitalist fashion, into expanding the capacity to produce means of production and commodities for export. The extremely lopsided distribution of income in West Germany and the way it has favored the accumulation of capital can perhaps best be grasped from a simple statistical comparison with Great Britain. The proportion of gross national expenditure going into personal consumption in Germany in 1952 was 57 percent, in Britain 69 percent; the proportion going into fixed investment in Germany was 20 percent compared to 13 percent in Britain. (*Business Week*, December 12, 1953, p. 106.)

Well might Alain Clément, West German correspondent of *Le Monde*, remark, in the course of a brilliant series of articles on "Adenauer's Germany" which ran during the month of August 1953, that "industrial capitalism has returned to the gilded age."

The New Individualism

The vast majority of Germans have fared less well. In fact for them the last two decades have been a period of violent shocks and, for many, irreparable disaster. Competent observers agree that these experiences have been decisive in shaping the mood and temper, the hopes and fears, of the West German people today.*

During the Weimar period, Germany was a highly "politicalized" nation. The great events of the time—defeat in World War I, the inflation, the depression—drew the man in the street increasingly toward active participation in public affairs, induced him to seek

* In what follows we have relied to a considerable extent on a sociological study, *Die Wandlungen der deutschen Familie in der Gegenwart* (Changes in the Contemporary Germany Family), 2nd edition, Hamburg, 1954. This work, written by Professor Helmut Schelsky of Hamburg, is called by the correspondent of *Le Monde* quoted above, "the most important work written by a German about postwar Germany." Schelsky summarizes and draws conclusions from nearly two hundred monographs written by his students, each devoted to a detailed study of a family which had suffered from one of the characteristic disasters of the war and postwar periods (expulsion or flight from the East, loss of home and goods from air attack, loss of income and status through demilitarization or denazification or both, incapacity of the normal head of the family because of severe wounds or prolonged captivity—in many cases, of course, two or more of these disasters were combined). The author argues, persuasively it seems to us, that the tendencies observable in these families also exist in most of the rest of the population though in a weaker and less clear-cut form.

It should be added that Schelsky's work, since it concentrates on those who have suffered losses and injuries in the last decade and a half, throws no light on the small minority who have remained or grown rich, that is to say, on the ruling class in Adenauer Germany. This, of course, is a very important omission, though Schelsky himself seems to be entirely unaware of it.

social rather than private solutions for his most pressing problems. This trend to social involvement was accompanied by other, clearly related, developments. It was a period of loosening family ties and relaxation of sexual morals, of romantic youth movements and avant-gardism in art and literature. It was also a period of intellectual ferment and artistic creation: the social sciences, for example, flourished under the Weimar Republic, and in the most modern of art forms, the film, Germany was one of the leaders of the world.

In all of these respects, post-World War II West Germany has been the almost exact opposite of post-World War I Germany—certainly one of the most striking reversals in modern history. According to the testimony of a most varied assortment of witnesses, the period since 1945 has been marked by deep political apathy on the part of the typical German, by the deliberate rejection of collective solutions and social responsibilities. Along with this has gone an intense preoccupation with private affairs, a tightening of family ties, a revival of puritanical morals. And in the cultural field, the results have been no less striking—and no less opposed to those of the twenties. Eroticism and bohemianism are strictly out of fashion, but so is artistic creativity. Indigenous West German writers have produced nothing of lasting value; and according to Alain Clément, "Since 1945, [West Germany] has not produced *one single film* worthy of international honors, and its current productions display a poverty of spirit and a clumsiness of technique which are simply stupefying in the land of 'The Blue Angel.'"

What explains this startling difference between the situation after 1918 and the situation after 1945? The answer seems to be that it is a large-scale example of the working of the law that says that beyond a certain point quantity turns into quality. Defeat in World War I left the general-framework of German life largely intact and merely accelerated the development of certain broad trends which had been operating ever since Germany entered the period of urbanized capitalism; while the whole Nazi experience, culminating in physical devastation of cities and total foreign occupation, was of a much more drastic nature which *shattered* the framework of German life and gave rise to qualitatively new trends. Faced with personal disaster, unable to count on help from a disintegrated state machine, and ruled by foreigners over whom he had no control and very little influence, the reaction of the average German was to seek sustenance and safety in the small group of intimates, and above all in the family.

This renunciation of public life and its obverse, the intensification of private and family life, were fostered by the all-too-vivid examples of what had happened to politically active anti-Nazis after

1933 and to leading Nazis in the first years of the occupation. The moral that it just doesn't pay to stick your neck out—which we Americans seem to be drawing from our own very different experience—was heavily impressed on the Germans by the events of the 1930s and 1940s.

All the demands of security, both in the sheer physical sense of survival and in the more complex social sense of being allowed to live one's life unmolested, seemed to dictate a withdrawal of commitments to society and a concentration on the affairs of the intimate group. In addition, moreover, the overriding purpose of the dispossessed or declassed or threatened German now became to regain as much as possible of what had been lost, to reacquire a home, personal belongings, social status, and prestige. Given the premise that collective action was impotent to achieve these goals, it followed from this, too, that the only rational form of behavior was to concentrate all energies on personal and family advancement. West Germany thus became a veritable beehive of activity—the willingness of Germans to work hard, for long hours, and for small reward which observers have so often remarked is certainly no illusion—but the various individual units of the society have seemingly cared little for what they were collectively creating and concerned themselves about it even less.

What we see in West Germany is thus a sort of distorted reversion to mid-Victorian individualism with its guiding principle of "every man for himself and the devil take the hindmost." The cultural fruits of this neo-individualism have been more or less what one would expect: moral austerity, bad taste, intellectual and artistic sterility. And in the political field the consequences are in keeping: Adenauer, cant, *laissez faire*—and behind the scenes the uncontested return of the Big Boys to the seats of power. The "democracy" of the Fourth Reich is based on the disinterest of the masses and the satisfaction of the ruling class.

How firm are these foundations? This is, of course, a crucial question for the future of West Germany—and perhaps of all the rest of us as well.

Shaky Foundations

In attempting to answer this question, we must first note a potentially important qualification to the analysis of the last section: the tendencies there noted have been less marked in the industrial working class than in the middle classes and the peasantry. The worker had less to lose in the first place, and it has been easier for him to regain his "normal" place in society. Moreover, the rejection of collective action and social responsibility never went nearly as far

in the working class. The trade unions and the Social Democratic Party (SPD) were about the only pre-Hitler mass organizations that came back to life after 1945 with real popular support (the bourgeois parties being, like their American and British counterparts, little more than vote-gathering and patronage-distributing machines); and the SPD now seems to be able to count on an irreducible minimum of about one third of the West German electorate. True, there have been political apathy and withdrawal among workers, as in other sections of the population, and this goes far to explain the all-too-obvious weaknesses of both unions and party in the whole postwar period. Nevertheless, last summer's strike wave, which was much more extensive than even the most attentive reader of the American press would suspect, unquestionably reflected renewed combativeness and class-consciousness in the union movement; and the annual SPD convention, held in Berlin in July, witnessed both a shift to the Left and the emergence of greater clarity as to the party's aims, especially in the field of foreign policy. It may not be too optimistic to conclude that as far as the workers are concerned, the trends analyzed above are essentially transitory—that the workers, in a word, are beginning to snap out of it.

What about the rest of the population? Schelsky seems to be quite certain that for the "middle classes" (he includes all who consider themselves members of the middle classes, regardless of their actual status) the trend to disinvolvement from society and concentration on private affairs is definitely a long-run phenomenon. He fails to give convincing reasons, however, and the plausibility of the thesis seems to rest on little more than the empirical observation that so far it has pretty much worked out that way. But if the primary causative factors were the disasters which accompanied the crack-up of the Nazi regime (as Schelsky himself argues), it seems reasonable to assume that as these are overcome or forgotten, there will be a tendency for Germans to revert to what we may regard as a more normal attitude toward the relation between individual and society. If so, we should expect that not only the working class but the masses generally will become increasingly politicalized and will show a growing inclination to seek social solutions for their problems. To be sure, as long as the present boom lasts and the possibilities of getting ahead by one's own efforts are still unexhausted, this whole tendency might be largely hidden from view and even appear to be nonexistent. But suppose the West German economy runs into difficulties? What then? Is it rash to assume that the whole situation might change rapidly and even dramatically?

It appears that the first pillar of "Adenauer democracy," the disinterest of the masses, is pretty shaky and may begin to buckle

MONTHLY REVIEW

with the first signs of economic bad weather. How about the second pillar, the satisfaction of the ruling class with things as they are? This, too, it would seem, can hardly be more durable than the boom on which it is obviously based. A real economic downswing, threatening profits and stirring up social discontent, would quickly force the Big Boys to seek new ways of bolstering up their system.

We are thus led to ask another question: what is the economic outlook in West Germany?

This is not the place for specific forecasts, which in any case are quite unnecessary for present purposes. It is sufficient to realize what we have already hinted at above, that the present West German economy is essentially topheavy and unstable, that it is being kept going at a relatively high level of activity by special factors which will not last forever, and that once these are removed or weakened a depression is sure to set in unless alternative supports have turned up or been developed in the meantime.

These special factors, of course, are the need to rebuild Germany's devastated cities and the high demand for German exports. Both are crucial to the continuation of the boom.

Since the deficit in German housing is still estimated at approximately four million units and the present rate of building is in the neighborhood of a half a million a year, this prop to the economy should continue to operate for as far ahead as it is now useful to try to look. The export situation is much less stable, however, and for precisely this reason it may be looked upon as the key to the whole West German problem.

In this connection, three points should be particularly emphasized: (1) The increased importance of exports as compared to prewar both for industry as a whole and for certain industries that are critically important to the overall structure of the West German economy;* (2) the fact that West German exports currently exceed imports by nearly a billion marks a year, so that there is (as in the

* The following table showing the percentage that export turnover bears to total turnover tells the essential story (source: *Aussenhandelsdienst*, Cologne, May 27, 1954):

	1936	1953
All industry	9.3	12.1
Machine building	16.3	31.8
Vehicles	7.7	19.2
Coal Mining	15.0	29.3
Electrical industries	13.3	14.6
Chemicals	19.5	17.2

It will be seen that of all the large export industries, only in chemicals has the share of exports declined since before the war.

case of United States exports) a chronic problem of how the buyers of German goods are to pay for them; and (3) the general stiffening of competition for export markets due to such factors as the continuing lag in the American economy, the desperate need of the Japanese to increase their exports as a means of paying for their essential imports, and the entry of the Soviet Union into the field of supplying capital goods and know-how to the backward countries.

If we had to give a one-sentence analysis of the West German situation, it would be this: The apathy of the great majority of the people and the satisfaction of the ruling class, which together account for the apparent stability of German politics, are based on a boom which is in turn critically dependent on a steady expansion of exports under conditions of increasing difficulty and uncertainty.

Add Rearmament

It is in this situation that it is proposed to recreate the Wehrmacht. What consequences can be anticipated?

At first glance, it might seem that all West Germany needs is military power to turn it into an aggressive imperialist state very much on the pattern of the Kaiser's Germany and Hitler's Third Reich. They, too, were expanding capitalist economies restlessly searching for new markets and fields for investment, and they never hesitated to use their military might to crush any obstacles that got in their way. The dependence of contemporary West Germany on foreign markets is even more complete; if it is now endowed with a military machine, should we not expect it to behave in much the same way, and ultimately with the same results?

Actually, the problem is more complicated than this would suggest.

In the first place, rearmament may to a large extent take the place of exports as a foundation for the boom and in this sense may stabilize the economy and temporarily reduce the pressure for foreign markets (only think, for example, of all the direct and indirect effects on the domestic economy of rebuilding a huge aircraft industry). In the second place, the possession of an army, which of course will be officered by representatives of the ruling class steeped in German military traditions, will add enormously to the security of West German monopoly capitalism. A revival of mass political action as a result of economic hardship, if and when it materializes, will not be anywhere near as dangerous to the Big Boys when they have an army at their disposal as it would be now. In fact, it would not be surprising to see them *anticipate* an economic crisis by moving more or less directly to institute a form of thinly disguised military rule as soon as the army has been recreated. And finally, the international

limitations on the uses to which German military power can be put are very different today from what they were five or even two decades ago. Russo-Chinese power to the East of Germany and Anglo-American power to the West are each overwhelmingly stronger than anything Germany can hope to build up. Under these circumstances, the significance of an army to the German ruling class—in addition, of course, to its role as guarantor of the class position itself—is likely to consist in enhancing its bargaining power rather than its fighting power vis-à-vis East and West.

Internally, then, the rearming of West Germany is likely to stabilize monopoly capitalism, increase the security of the ruling class, shift the political system toward one of outright military rule, and snuff out whatever chances may now exist for "Adenauer democracy" to develop into genuine democracy. This last point, which has been largely ignored in recent discussions and debates over the German problem, is the crux of the matter for the German Social Democrats and explains their increasingly bitter opposition to the London agreement.*

Internationally, the rearming of West Germany is likely to improve the country's bargaining power and put it in a position to play East off against West for the greater profit and glory of the Ruhr barons and the Cologne bankers.

If and when it comes to bidding for West German support, it is obvious enough that the East holds high trumps: reunification of Germany and an increasing share of a rapidly expanding market for the things West Germany is best qualified to produce. The West as a whole has nothing comparable to offer, but the stronger countries can attempt to hold Germany by offering up their weaker allies.

This is where France and Germany's other western and southern neighbors enter the picture. From the German point of view, the rationale of the Adenauer policy of "European integration" has always been to open up all of Western Europe to unobstructed German economic and ultimately political penetration (this was all spelled out in detail in the first 1954 issue of *Die Arbeitgeber*, official organ of the Federal Association of German Employers), and it is easy to foresee that in the future the demands of a rearmed West Germany on her neighbors will run along essentially the same lines.

* How is it possible for any democrat, not to say socialist, to ignore or deny the truth of the following forthright statement approved by the annual conference of the West German trade unions on October 9th: "As for the internal development of the Federal Republic, the remilitarization and creation of a German Army, as provided by the London agreement, brings about the danger of an authoritarian military state which might put an end to the efforts of the German workers' movement to create a political, social and economic democracy." (*New York Times*, October 10.)

WHAT ELSE IS THERE TO TALK ABOUT?

If this analysis is sound, it leads to certain ironical conclusions. The purposes of German rearmament, we are told, are to enable German democracy to defend itself against Communist subversion, to protect the independence of Western Europe, and to keep the Atlantic Alliance from falling apart. Its actual results are more likely to be the early extinction of any real hope of democratic development in Germany, the subjugation of Western Europe to resurgent German imperialism, and the intensification of all the rivalries and conflicts of the capitalist world. However you look at it, the only true gainer from German rearmament is likely to be the West German ruling class.

As for Mendès-France, his great success at the London conference takes on more impressive proportions the more you think about it. He may go down in French history as the only statesman who was able to persuade his countrymen voluntarily to commit national suicide.

(October 18, 1954)

WHAT ELSE IS THERE TO TALK ABOUT?

People of the same trade seldom meet together, even for merriment and diversion, but the conversation ends in a conspiracy against the public, or in some contrivance to raise prices.

—Adam Smith, *Wealth of Nations*, Bk.I, Ch.X

The following answer by a witness in a Federal Trade Commission proceeding is extracted from: F. T. C., *In the Matter of Chain Institute, Inc., et al*, Docket No. 4878, pp. 1096-1098:

A. Well frankly, you know how you do at these [Institute] meetings. You hear a lot of tripe and a lot of crap and red tape which they put through, and they put on a lot of rigamarole and put you on these committees doing a lot of different things. A lot of it, too, has been very constructive and I have been very active, and I spent a lot of time doing things I thought beneficial not only to my company but to the industry as a whole and of benefit ultimately for the good of the country as a whole.

But, after we get rid of a lot of this stuff, maybe while we are at lunch or adjourning for a drink or something, then we

start talking. Maybe somebody will say to you, "You so-and-so Son of a B., what did you do down at Bill Jones?" And then somebody calls somebody a liar and so forth, and then maybe he would say, "Well, I have got the evidence that you did, and you are a liar," and then you would get into a fight with this fellow, and first thing you know, somebody else would come up and listen to the conversation, and then there would be six of them there, and they would be picking on you—I don't mean picking on me, but picking on these price cutters, you understand.

So, well, maybe by that time they had had three or four drinks and the thing begins to get a little tougher, and the drinks loosen up some tongues—of course, I don't think [drink?], you understand now, gentlemen, therefore I was always in perfect control of my vocal chords, and I have a marvelous vocabulary, I can assure you, when it comes to calling names, and it has been tested by every member of the Institute, and when I call a guy a dirty, low kind of a so-and-so price cutter, he knows he has been called a price cutter (Laughter).

I will be frank, and if you want to crucify me, I will add this: I would tell him further that if he didn't stop these damn price cuttings, I would show him how to cut prices, and many times I did cut them, and when I cut a price, and if it was your price I was cutting, take it from me, brother, you knew your price had been cut.

I could go on and on and on—but I want to say that when any two businessmen get together, whether it is a Chain Institute meeting or a Bible class meeting, if they happen to belong to the same industry, just as soon as the prayers have been said, they start talking about the conditions in the industry, and it is bound definitely to gravitate, that talk, to the price structure in the industry. What else is there to talk about?

Let no one think that dishonesty or anything else begins at the top. These big business men were once little business men.

—John Jay Chapman, *Causes and Consequences*

Then, and indeed for many years after, it seemed as though there was no end to the money needed to carry on and develop the business.

—John D. Rockefeller

THE ILLUSION OF FREEDOM

BY HENRY PRATT FAIRCHILD

No man is free. No man has ever been free. No man will ever be free. Though he take the wings of the morning and fly to the uttermost part of the earth he will find that he has only substituted new forms of restraint for the old ones—and probably more onerous ones.

Yet freedom is one of the most prized of all human values throughout mankind. If one is to judge by contemporary writing and speaking it would seem to be the acme of all human values—and perhaps it is. Certainly it is the proud boast of the United States that we offer more freedom, or a higher degree of freedom, than any other nation on earth.

Can it be then that we are kicking against the pricks, that it is this unquenchable desire for an unattainable value that makes life so hard? Certainly there is no use in trying to explain why men desire and seek freedom, or in attempting to persuade them not to desire it. Freedom is an ultimate value, and like all ultimate values it is axiomatic. There is no more profit in asking why men desire to be free than in asking why they desire good food, or sexual satisfaction, or health, or peace of mind. They just do—we all do—and that is that.

Perhaps, however, the burden of frustration in this area might be eased somewhat if people understood more clearly what are the limitations of freedom, and the nature and operation of the restraining agents. Not but what this understanding has been sought innumerable times in the past. But so important is it that it may be worth while to try again, taking advantage of previous accomplishments.

I

It is important to realize that freedom does not exist in a vacuum. As an abstract noun in the singular number it has virtually no meaning. To have significance in the every-day affairs of human existence it must be attached to some specific concept; in other words,

Henry Pratt Fairchild, Emeritus Professor of Sociology at New York University, is Chairman of Monthly Review Associates and a frequent contributor to these pages.

MONTHLY REVIEW

what we should think of is not "freedom," but "freedoms." It may be that "peace is indivisible"—freedom is not. This diversity is exemplified by the different prepositions that are customarily associated with the noun: freedom *from* (fear, want), freedom *of* (speech, religion), freedom *to* (vote, conduct a private business).

Moreover, these different aspects of freedom may, and do, arrange themselves in almost infinitely varying combinations in different modern societies. There may also be wide variations in the *degrees* of freedom in a given area of interest. It is the particular configurations of freedoms in different societies that are really important, and actually cause much of the prevailing misunderstanding and tension in the contemporary international environment. Finally, the proposition that all freedoms are conditioned upon the rights of other people is so platitudinous that it need not be elaborated here.

II

The next step, therefore, is to examine the restraining or coercive factors that play upon the normal member of society. They may be divided into three main categories. First, the cosmic factors. Second, the biological factors. Third, the social factors. Now it is an interesting fact, maybe a paradox, that the closer we come to the beginning of this series, the less conscious we ordinarily are of the operation of the restraint, and yet the more powerful and inescapable the restraint is.

By cosmic factors is meant those qualities or characteristics of the world—or the universe—which place positive limitations on the behavior of the human individual. One of the most pervasive and important of these is the force of gravitation. It has both its conscious and its unconscious aspects. Among the latter, perhaps the pressure of the atmosphere is the best example. Of this the human being is entirely unconscious unless it is called to his attention. Even then, he is conscious only intellectually—he does not actually feel it. Nevertheless it is constantly pressing on him in the weight of about fifteen pounds per square inch. It is only when the intensity of this pressure is altered in some way or other, either artificially, or naturally by ascending into space or descending below sea level, that the pressure is felt and adjustments may have to be made to it.

The cosmic limitations to freedom merge imperceptibly into the biological, because man himself is actually a part of the cosmos. The biological factors are those that limit man's behavior just because he is a living animal. They dictate what he must eat and drink if he wants to live, or, perhaps more spectacularly, what he must avoid eating and drinking if he does not want to die. They force him to keep in contact with oxygen if he wants to keep on living. They

postulate the kinds of behavior that he must engage in if he wishes to reproduce his kind, or to enjoy sexual gratification, or—again perhaps more spectacularly—the kinds of behavior he must avoid if he does not wish to reproduce his kind, or, last of all, the kinds of limitations he must submit to if he wishes both to enjoy sexual satisfaction and avoid reproducing his kind.

The striking and significant thing about both cosmic and biological limitations upon freedom is that they are largely unconscious, or, to the extent that they are recognized and felt, they are not really resented. They are accepted as necessary and inevitable, and are taken for granted. It is only when some individual feels a strong urge to do something out of the ordinary that he realizes how effectively his freedom is restricted, and seeks to overcome these restrictions—and we shall note presently how he succeeds in doing so. Yet these are far and away the greatest limitations on freedom that the human being has to endure.

If this were all, the categorical assertion with which this discussion started would be fully vindicated. No man is free. We are a long way from being able to do the things we would like to do. But if this were all, there would also be no problem—at least in the sense in which freedom is debated today. We accept these limitations, and go about our business. But when we come to the third category we face a completely different set of situations, and reactions to them. The social limitations on freedom are man-made, and therefore likely to be man-resented.

III

When we turn to social limitations upon freedom we come face to face with the state, the law, and the government. These are the agencies by which the formal and obvious limitations of freedom are imposed and enforced by society upon its members.

What is the state? There are almost as many answers to this question as there are writers on political science. But probably no more realistic definition is to be found than the following: The state is that agency, or aspect, of society authorized and equipped to use force. (If this definition happens to run closely parallel to the ideas of Karl Marx, so much the better for Marx.) This force may be expressed externally or internally with respect to a given society. Externally, it is called the "war power"; internally, the "police power." The law is the voice of the state, in modern societies expressed in writing. The government comprises the tangible (actually personal) instrumentalities—legislatures, courts, officials, police officers, armies and navies and air forces—by which the state expresses its will in (presumably) comprehensible forms, and pro-

vides for its enforcement. Correctly interpreted, it is no sin to overthrow the government—provided it is not done by force or violence. We do it every four years, theoretically. To attack the state is a horse of another color. But all that is another story. It will be more expedient to turn our attention to the law.

Here it becomes necessary to examine the strange and tragic discrepancy between the two meanings of this simple little, three-letter word "law." In our every-day discussions, especially with respect to liberty and freedom, we use the word as if it had a single and consistent meaning. Actually, it has two entirely distinct meanings. These are concealed in our customary uses of the concepts of "natural law" and "statute law." We use the term "law" in these two connections as if they were essentially of identical character. Upon examination they are found to be diametrically opposed in many respects. It will be worth while to pause a moment to examine these contrasts. They may be listed somewhat categorically.

(1) Man-made laws are of the order of commands or prohibitions. They stipulate that those subject to them must do this-or-that, or must not do so-and-so.

(2) Natural laws are not commands nor prohibitions. Nature has no interest in the welfare of human beings, and is not in the least concerned with what they do, or do not do. The typhoid germ, the tape worm, and the rattlesnake are just as truly agents of nature as the butterfly, the wood thrush, and the honey bee. Natural laws are orderly sequences of cause and effect, invariable and inescapable. What we ordinarily mean by a "natural law" is our best human statement of how things have been observed uniformly to happen, and our belief that they will continue to happen thus. Natural laws, when understood, tell us what we can and cannot do but they never tell us what we should or should not do. They simply say, "If you do so and so, you may expect this to happen." Or, injecting the element of human value, "If you wish so-and-so to happen, this is the way to go at it." It is up to us to choose whether we want it to happen or not.

(To be concluded)

*Once to every man and nation comes the moment to decide,
In the strife of Truth with Falsehood, for the good or evil side. . .*

—James Russell Lowell, *The Present Crisis*

THE CONFLICT IN THE BRITISH LABOR PARTY

BY POLITICAL ECONOMIST

The Labor Party has been running six percent ahead of the government in current Gallup polls, and superficially all seems well. The leadership anticipates winning the next general election and, barring unforeseen contingencies, becoming Her Majesty's Government instead of Her Majesty's Loyal Opposition. For this reason, among others, it strongly deprecates any tendency to sharpen intra-party controversies or to shift from the conventional and time-honored attacks on the Tories to raising fundamental policy issues. It prefers the easy way to office, even if this way is open only so long as there is relative economic stability and the world situation is not darkened by major crises. But we are living in a period of profound economic instability and of acute international strains, and history does not readily adapt itself to the short-run calculations of professional politicians and party machines.

The recent sharp cleavages of opinion at the annual trade union and party conferences at Brighton and Scarborough are not surface phenomena, nor are they by-products of personal rivalries and ambitions. They are manifestations of the deep-seated malaise afflicting the Labor Party at least since Bevan and Wilson resigned from the Cabinet in April 1951, ostensibly over the health payments but actually over the expansion of armament expenditures resulting from America's insistent intensification of the cold war. Subsequent events have vindicated Bevan's prescience.

There is no mystery about the cause of the malaise, which is the growing popular dissatisfaction with the consequences of the Anglo-American Alliance and its still more ominous implications for the future. Its logical culmination is an aggressive war against the socialist bloc, with England in the front line as an expendable aircraft carrier. Now the average Englishman, and certainly the average member of the Labor Party, has no desire to be obliterated for the greater glory of Wall Street. He bitterly resents American warmongering and welcomes any sensible proposal for an international *détente*. In short, he does not like the way things are going and wants something done about it.

The Tories can never escape the stigma of being a war party

The author, now living in England, is a regular contributor to MR.

MONTHLY REVIEW

and of being 100 percent behind the American Alliance. In practice, the Labor leadership has preserved the ruling-class tradition of continuity in foreign policy both in and out of office, and, while differing in emphasis and details, is as indissolubly wedded to the Alliance as the Conservatives. Like Churchill and Eden, it is anxious to restrain the Americans when their warmongering becomes too warm for comfort, and to bargain with them when they encroach on British imperialist interests. But it is no more capable than they are of conceiving of a genuinely independent British foreign policy, and in some respects it tends to be even more subservient than the Churchill group. The main difference between them in this respect is that Attlee and his associates are more susceptible to mass pressure, for the frustration and diversion of which they have developed elaborate and by no means ineffective techniques.

The upsurge of popular discontent with the American Alliance thus inevitably comes into conflict with official Labor policy and equally inevitably engenders Left groupings within the party. At the very least, these function as a safety valve, the value of which the rulers of America, unlike their British counterparts, are too obtuse to appreciate. At most, they become the spearhead of the struggle to save the great Labor movement from being reduced to an appendage of "desiccated calculating machines," in their turn appendages of Washington foreign policy.

During 1954, there have been two overriding external issues on which this discontent has boiled over: first, relations with China in general and the Indo-Chinese imbroglio in particular; and second, German rearmament. When the Indo-China crisis was coming to a head in April, Nye Bevan was unquestionably speaking for Labor's rank and file in vehemently opposing any form of American-instigated entanglement or intervention, and he correctly resigned from the Parliamentary Executive in order to retain his freedom of action and to protest against the leadership's vacillation. His general stand on China again accurately reflects majority opinion, which wholeheartedly supports friendship with China and rejects American bellicosity in the Far East.

The official Labor mission to China in August was an event of the first importance both on the international and internal scene. The Executive's motives in accepting the Chinese invitation were mixed. The moving force was the overwhelming popular demand for improved relations with China. Apart from anything else, the visit was good domestic politics—as Drew Middleton observed in the *New York Times* on September 14, "a number of experienced Labor politicians are convinced that the visit . . . to Moscow and the subsequent tour of China is the basis of the increase in the party's popularity."

CONFLICT IN THE BRITISH LABOR PARTY

Moreover, not only did the mission occur most opportunely in terms of the day-to-day maneuverings of the Foreign Office (so much so that it may have enjoyed the Government's tacit blessing), but it also enabled the Labor Right to steal the Left's thunder. The Right could now cover its monolithic antagonism to Russia by vague expressions of benevolence towards China, which incidentally also proved a handy weapon in the Scarborough debates on SEATO and German rearmament. A mission packed with six safe members could, moreover, act as a brake on Bevan and Franklin and on subsequent parliamentary and trade union delegations to China. Thus on May 29, the *Economist* stated:

The Americans will think that the visit is a sign that Labor wants to align itself more closely with the Chinese Communists; few people can be expected to understand that Mr. Attlee's principal purpose in making the journey is to prevent this from happening.

Finally—and this holds for the Foreign Office and for most prominent Labor leaders, including Bevan—the hope is still cherished that sooner or later it will be possible to drive a wedge between China and Russia. It must be admitted that Washington, while less realistic than London in its refusal to recognize that People's China is here to stay, is more realistic in this respect.

But whatever the Right's motives, the mission was a tremendous advance, as can be seen from the howls of execration which greeted it in the American press, and in some of the British press too. The latter's general level of coverage was incredibly low, the *Manchester Guardian* being especially distinguished by its offensive vulgarity. The mission definitely contributed to the improvement of Sino-British relations and therefore to the amelioration of international frictions. It ranged the Labor Party more actively on the side of a positive policy towards China, including admission to the UN, a reasonable settlement of the Formosa question, and expansion of normal trade relations. (So far, commercial developments have been disappointing. The Thorneycroft-Stassen discussions in July left the China embargoes unaffected and introduced relaxations on trade with Eastern Europe which were more formal than substantial.) The Labor mission helped break down Chinese isolation. It provided first-hand evidence from observers, few of whom could be suspected of any pro-Chinese bias, concerning the outstanding economic, social, and cultural progress since 1949—"it is true about the flies." And not least, it reinforced the friendship for China felt by the mass of the Labor Party, a fact attested to by the selective vigor of the applause for Attlee's references to China in his major Scarborough speeches. Incidentally, it enabled the party leaders to hold informal

conversations in Moscow, an opportunity which Churchill must have envied them.

However, one must add that the Scarborough block-vote endorsement of SEATO was retrogressive, and that the leadership's stand put its benevolent professions in a strange light.

The second major foreign policy issue of 1954 has been German rearmament. As is well known, in September, 1950, Acheson compelled Ernest Bevin to withdraw his previously announced undying opposition to German militarization. For a time, the question remained somewhat academic, but it soon became clear that feelings were running high and that the leadership, in associating itself with Tory appeasement of the United States, was isolated from the main party currents. In the spring of this year, after a marginal victory for EDC within the Parliamentary Party, in which the vote of the Labor members of the House of Lords turned the scale, the Right launched a big "educational campaign," coupled with Morrison's vitriolic denunciation of Bevan in the *Socialist Commentary*, to win over or at least neutralize the opposition. The educational side of the campaign was a failure. Speeches by Attlee, Morrison, Gaitskell *et al* in favor of German rearmament were greeted politely but unenthusiastically by Labor audiences throughout the country. The majority of the party remained opposed to the American line of unconditional rearmament of Germany and refusal to negotiate with Russia.

The process by which a paper victory was eventually snatched from the jaws of defeat is most instructive.

The TUC annual conference is often steamrollered by the block votes of the Transport and General Workers' Union (led by Deakin), and of the National Union of General and Municipal Workers (led by Williamson).^{*} These unions by themselves are insufficient for a clear-cut majority, but with the National Union of Mineworkers' backing, can usually swing it. The NUM at its annual conference committed itself to back the party leadership, although the union executive refused to ballot its members on either Germany or the Gaitskell-Bevan contest for the party treasurership. Nevertheless, at the Brighton Conference of the TUC early in September, the official resolution on foreign policy got through by only a tight squeeze. Three of the Big Six—the National Union of Distributive and Allied Workers, the Amalgamated Engineers Union, and the National Union

^{*} In this connection, the *New Statesman* of October 9 has a revealing letter from a member of 18 years' standing in the latter, reporting that throughout these years his branch, with 5,000 members, has never once been consulted on how the union's vote should be cast. As for the former, suffice it to say that the London District, with a quarter of the total membership and the only district to take a formal stand, voted against German rearmament.

CONFLICT IN THE BRITISH LABOR PARTY

of Railwaymen—voted against German rearmament. No wonder the *Times* and *Manchester Guardian* greeted the 450,000 majority on a card vote of around 8 million as “a hollow victory” and resigned themselves to ultimate defeat.

The two weeks between Brighton and Scarborough and the days immediately preceding the big debate at Scarborough itself, were packed with intrigue. The Executive's draft resolution was weasel-worded with a sop for everybody. Unions whose mandated vote had been cast for the opposition at Brighton were brazenly canvassed to reverse their stand. There was much to-do about last-minute converts, some of whom were fictitious and others highly dubious in character. Executive proponents of rearmament insisted on participating in the caucus at which the opposition resolution was drafted. In the debate itself, opponents on the Executive were muzzled. A great cry was made about emotionalism, as though hatred of German militarism was illogical and something to be ashamed of. Attlee's and Morrison's arguments were hardly convincing. The former repeated Adenauer's nonsense about EDC's being defeated in the French Assembly by the Communists and Gaullists, forgetting that the Communists are the largest party in France, that a small majority of Socialist Deputies voted against EDC despite Mollet's draconian disciplinary measures, and that many Radical Socialists, including the veteran Herriot, stood with them. Morrison opportunistically pled for freedom of action and deliberately misrepresented the German Social Democrats' stand.

In the event, the Executive got its majority—by a mere 248,000 votes. If Brighton was a hollow victory, what are we to say of Scarborough? The deciding factor was the wangling of a handful of trade union votes. The Amalgamated Society of Woodworkers switched its mandated 129,000 votes on the sole responsibility of its leading officer. The 160,000 votes of the United Textile Workers were evenly split at Brighton; at Scarborough a twelve-to-ten majority of its delegates cast them *all* for the official resolution. Finally, the representatives of the Amalgamated Building Workers who, two weeks earlier, had registered their 75,000 votes against, abstained.

The result was greeted as a resounding triumph by most of the daily press. But the *Economist*, “the organ of the millionaires,” soberly and pointedly observed that “the victory was thin as a wood shaving” and lamented what it was pleased to call the British people's lack of common sense.

The shakiness of the leadership's hold was clearly demonstrated in the constituency choices for the Executive to which all the previous Bevanite occupants—except Bevan himself who had voluntarily withdrawn—were re-elected with enhanced majorities, Bevan's place being filled by Anthony Greenwood, indubitably a man of the Left.

The significance of Gaitskell's two-million-vote victory over Bevan for the party treasurership has been grossly distorted. First, the fact that Gaitskell ran for treasurer at all was a confession that, like Morrison, he could only enter the Executive by the back door, a humiliating mode of ingress for an aspirant to the party leadership. Second, the support of the Engineers and Miners turned the tables. With respect to the former, the *Economist* admitted that "it was only because his nomination . . . came late this year that their vote was cast by a moderate Executive . . . and not at the annual meeting of the more left-wing national committee." As for the Miners, no one really believes that in the face of a solid Left vote of 200,000 from the South Wales and Scottish districts, a full union ballot would have favored Gaitskell, or that they are going to remain indefinitely in the Right's camp, whatever the manipulations of Ernest Jones and soapy Sam Watson.

It should be emphasized that Scarborough *unanimously* endorsed a resolution in favor of Big Three talks covering the banning of the H-bomb and other outstanding East-West issues, and that, although many left-wing motions were referred back to the Executive, a polite method of burial, and others defeated, there was throughout a hard core of two to two and a half million militant votes. The size and constancy of this nucleus is the best refutation of the two myths that the dividing line in the Labor Party is between the constituencies and the unions, and that the Left embraces only a small handful clustering around Bevan. The line of demarcation between Left and Right does not run *between*, but *through*, the party branches and the trade unions alike. And the Bevanites are but one grouping, if perhaps the most important, in the Left camp. There are many Left MP's who are not Bevanite, and the substantial number of trade unions which are taking a more and more anti-American stand are doing so in terms of principle, not personalities.

All of this is not to deny Bevan's value, both actual and potential: he will grow in influence and stature in proportion as he consistently and effectively uses his great talents as the chief spokesman of the Left. He can well afford not to be on the Executive. He can even afford to lose the support of some of his more hesitant followers—the bourgeois press is already, perhaps prematurely, counting the deserting chickens. What he *cannot* afford is to divorce himself from the struggle for socialist policies at home and abroad, and *against* the acceptance of a *status quo* in which England is being slowly but surely transformed into a satellite of Washington and in which a precarious Welfare State becomes a substitute for the Socialist Commonwealth.

In the larger perspective, the most encouraging feature of recent developments in the British labor movement is the trend towards the

emergence of the equivalent, roughly speaking and making all necessary qualifications, of a "Nenni socialist" grouping. The absence of such groupings in England and France has been one of the biggest gaps in the political spectrum of Western Europe, a gap which has redounded to America's advantage at each critical turn. The prospects for filling it are now by no means unfavorable. The *Economist* was wrong when it said (September 18th) that "the situation inside the Labor Party is not really as bad as it appears." From the *Economist's* point of view it is worse; from ours, better.



WORLD EVENTS

By Scott Nearing

Why They Turn East

At the conclusion of the World Events article in the October *Monthly Review* I asked the question: "Why do stalwart supporters of the West trek to the East?" The answer is partly a matter of fact and partly a matter of belief. If the Russians and the Chinese have actually found a workable approach to abundance, peace, and social security, here is good reason for Westerners to trek East. If the East *believes* that it is on the track of such solutions, the West would do well to stop, look, and listen, because it is in desperate need of just this information.

Our generation has seen the Soviet or "Communist" sectors of the planet expand from near zero in 1910 (the outbreak of the Mexican Revolution) to administrative control over more than a third of mankind in 1954, and to ideological leadership of large additional segments of humanity.

If I were asked to explain this development in a sentence, I would say that the advocates and practitioners of Communism have induced their supporters to set up a social system designed to cope with the forces, problems, and possibilities arising from the present-day revolutions in science and technology. In the jargon of the social scientist, the Communists are striving to reduce or to eliminate cultural lag.

Peoples are turning East because, during this epoch of the decline of the West, the East has made notable theoretical and practical advances in the fields of economics, politics, and social organization.

Confusion, uncertainty, and perplexity about Russia have bedeviled the Western world for a generation. A similar state of mind concerning China has existed since the Chinese Peoples Republic was proclaimed in Peking on October 1, 1949. What is more, these doubts and difficulties now extend to Eastern Europe and considerable areas of Southeast Asia—that is, to the territory "on the other side of the Iron Curtain." The man in the street has been taught to fear and hate the East but is scandalously ignorant of the most elementary facts concerning the Communist world.

The Truth About Russia

Within a week, two chance acquaintances have asked me to

state the truth about Russia, "in a half dozen sentences." When I failed to answer to the satisfaction of one of my questioners, he said impatiently, "All right then, tell me in one word, is it good or bad?"

I reminded him that there is so much bad in the best of us and so much good in the worst of us that it does not become any of us to speak evil about the rest. Then I told him that the answer to such a question depended primarily on the economic and social status of the questioned and the questioner, his purposes in life, and his view of current historical directions and trends.

Such encounters are not unusual. In G. M. Young's life of Stanley Baldwin there appears the text of a hurried note written by a private secretary when Baldwin was Prime Minister. "The P.M.," it says, "is always being asked about the situation in Russia and would like to know what to say. Not more than a page." Basil Davidson in *Day-break in China*, (p. 157) adds that "Sydney and Beatrice Webb, struggling with the same subject, found they needed a thousand pages."

It is more difficult briefly to set down the truth about Russia than about some other large and complex subjects, because of the fears, animosities, and hatreds with which cunning propaganda has surrounded the subject, and the genuine alarm felt by many propertied and privileged persons concerning the obvious threat of Bolshevism to their status.

What applies to Russia has become equally valid for East Europe and large areas of Asia, particularly China. All of these territories were classed as "backward" by complacent public opinion in the France and Britain of 1900. Since then, these "backward" peoples have stepped forward. During the 1945-1954 decade they occupied the center of the world's stage, to the horror and disgust of the "legitimate" performers. Imagine the turmoil in the conservative soul of Winston Churchill when, in the spring of 1954, he was forced to decide between severing his relations with Washington, if need be, in order to establish and continue his close contacts with Molotov and Chou! When President Eisenhower entered the White House in January, 1953, he was for "seizing the initiative." Two years later, with the stalemate in Korea, the debacle in Indo-China, and the collapse of the European Defense Community behind him, he is still on the defensive. It is the Communists who continue to call the turns. In 1924, western leaders could not believe that in 1954 Communists would be playing leading roles in world affairs.

This is the first, and in many ways the most important, "truth about Russia" and the other Iron Curtain countries. They have not only survived, but as their support snowballs, they attract an increasing volume of world attention and hold a more significant power-

position. What other conclusion can an intelligent observer draw from the avalanche of events which began with the victories of the Soviet armies over the Nazis in 1944 and 1945, the proclamation of Peoples Republics in East Europe after 1946, the culmination of the Chinese Revolution in 1948-1949, and the subsequent developments in Asia?

The East Goes in for Sport

Perhaps the simplest way to give the non-specialist a feeling for the trend of affairs is to begin with the widely understood and popular matter of sport. For many years, the West held a semi-monopoly of sport. First, Western Europe and later North America and Australia shared the sport championships with Britain. If the East entered the field at all, it was in the person of a Japanese swimmer or an Indian wrestler. Forty years ago, athletic coaches agreed that Russians and other Eastern Europeans never had taken up sport on a large scale because neither their bodies nor their minds were up to it.

The Olympic Games of 1952 scrapped that point of view. At Helsinki, East met West on an open field, and the East made a highly creditable showing.

There was another test in Berne, Switzerland, at the European Athletic Championship Meet which ended August 29, 1954. The outcome received little press notice in the United States. It was widely publicized in Europe. London's staid *Times* began a two-column summary on August 30: "The European athletic championships ended here today in brilliant sunshine and on a top note of excitement. For the Russians it was a day of further triumph. The British team, for their part, provided the thrilling spectacle of Bannister winning the 1500 metres in his best style, and Chataway overcoming Zatopek, only, incredibly, to be beaten himself by the Russian Kutz by nearly 100 yards."

The dispatch ended: "The championships turn out to be a gala for the Soviet Union, who won 16 of the 35 gold medals. Czechoslovakia and Hungary, each with four, and Poland one, brought the total wins by East European countries to 25. Britain finished fourth among the gold medal winners with three. . . . Her total of 100½ points took second place to Russia, with 269 points."

Two thirds of the first-place honors in this European athletic meet went east of the Iron Curtain. The Soviet Union came out tops with two and a half times as many points as her nearest competitor, Great Britain.

There is a widely held opinion that athletic contests offer an excellent test of fitness, determination, competence, and stamina. Forty years ago the West took it for granted that East Europeans were

incapable of equalling them in general sports. In this latest pan-European meet, East Europe walked off with the honors. Once again, in this field far removed from politics, armaments, and production norms, athletes from the East scored twice as many top honors as those from the West, with its long tradition of sports ascendancy.

The Communist world has survived the grueling tests of the past four decades. It has also demonstrated its ability, in a field dominated for years by western athletes, to defeat western contestants on one of their home fields, Berne, Switzerland.

The Soviet Union's Thirty-eighth Birthday

On November 7, 1954, the Soviet Union celebrates the thirty-eighth anniversary of the Bolshevik Revolution. The Russians were the first people to put a Communist regime in power. Since 1917, a dozen other countries have followed their example. Until 1921, it was taken for granted that the Russian Soviets would be crushed by the chief Western powers, as similar movements in Bavaria, Hungary, and Finland had been snuffed out by the police and the military. Not only did the Russian Soviets survive, but within a quarter of a century (by 1943) the USSR was being saluted by no less a person than Marshal Jan Smuts as the world's second-ranking power. A decade later the Soviet Union heads a political bloc which includes a third of mankind.

How will the future historian explain this spectacular shift in world power? As lately as 1910, West Europe dominated the planet. Four decades later western Europe is demoted to a position of economic and political dependence on North America, while the Communist nations, led by Russia and China, occupy one of the world's two major power centers. We believe we can summarize the answer in seven general propositions:

(1) Centers of Western civilization devoted four centuries (1500-1900 A.D.) to building a superstructure of world empires designed to increase their wealth and extend their power. From 1700 to 1900, they revolutionized production techniques and laid the foundations for collective abundance. The wars and revolutions incident to empire building, with the new technology, shattered the structure of western civilization in the period 1900 to 1954, leaving the peoples to choose between fascist tyrannies and highly centralized collectivist republics. A third of mankind have chosen and/or accepted collectivist republics.

(2) Changes in production techniques, wars, social revolutions, and colonial rebellions broke up the cake of custom and released large funds of human hope, fear, aspiration, and altruism, at the same time that they made it possible to get-rich-quick and get-power-quick. Hence the immense outpourings of social energy during recent decades.

(3) Where they had the backing of a large and well-disposed middle class, the business-military oligarchies were able to protect their wealth and hold their power by establishing fascist dictatorships.

(4) Where middle classes were small and weak, power passed from the business-military oligarchs to leaders who had formulated a new conception of public life, designed to meet the requirements of science and technology—the whole before the part, the collectivity before the individual.

(5) This new conception of public life has won mass support, particularly where the heel of capitalist imperialism had been most galling—in backward areas and among the underprivileged colonial peoples.

(6) "Socialism," "communism," "collectivism" are words used to describe the result—like "republicanism" in an age of kings and "democracy" in an age of privileged minorities.

(7) During the past 38 years, the Soviet Union has been the central experiment station in which these new concepts have been formulated and the new institutions designed to implement them have been tested. Latterly, other peoples have turned to social experimentation—most notably the Chinese, whose new regime was proclaimed five years ago, on October 1, 1949. The Chinese Peoples Republic traces its origins to the Revolution of 1911 and Chiang's seizure of power in 1926-1927.

These seven propositions describe a new phase of social organization during which private enterprise and individualism have yielded place to social planning, public enterprise, and collectivism. While the Soviet Union has led the procession toward collectivism, the movement today contains a majority of non-Russians.

Asia United?

We wish that it were possible, in the space at our disposal, to review some of the more important developments in China, India, Siberia, Soviet Central Asia, Korea, the Philippines, Indo-China, Burma, and Indonesia. From the Western viewpoint, this is "the East." It is in this area that half the world's people, with culture old before the modern West came into being, are carrying on some of the most purposeful and fateful experiments in collectivism. We merely note in passing that the Southeast Asia Defense Organization set up during September, 1954, in Manila, was planned in Washington, is dominated by Western powers, and does not have the support of a single important Asian government. A movement for the defense of Asia by Asians is now in the making in Asia. Meanwhile, extensive and important steps are being taken in Soviet Asia to re-design and rebuild the existing culture structure.

Another Petty, Hideous War

Secretary Dulles has done his bit to activate another petty war—between Formosa and the Chinese Peoples Republic. In this conflict, Formosa is a front for the United States. Not only are Formosan forces trained under Washington's direction and supervision, but they are financed, provisioned, and equipped with war supplies by the United States, and the United States Seventh Fleet prevents the Peking regime from mopping up the last important stronghold from which Chiang continues to direct his 1926-1954 unsuccessful, United States-supported drive to exterminate Communism in eastern Asia. Day after day, shells are being exchanged between the Nationalist-held island of Quemoy and the mainland. Day after day, air raids and naval raids are being staged. As I. F. Stone points out so ably in his *Weekly* of September 13th, these events may be the opening phases of another general war, beginning and centering this time not in Europe but in Asia.

How Far Will the Diehards Go?

Before the end of World War II, in 1945, top-ranking United States policy makers were saying, quietly but persistently: "We are allied with the Soviet Union today. We must be prepared to make war on her tomorrow."

When the Chinese, on October 1, 1949, proclaimed the Peoples Republic, officially aligned themselves with the Soviet Union, and linked the Atlantic and Pacific fronts of the world's heartland in one political bloc, the same advocates of wars-to-prevent-war adopted a new formula: "We need the natural resources of Asia to supply our expanding industries and increase our fabulous wealth. In order to defend these necessary resources, we must control the North Pacific Ocean. The Chinese Peoples Republic has become the Number One threat to this project. We must defeat and liquidate the Chinese Peoples Republic. Only then can we hope to defeat and destroy the Soviet Union." General MacArthur said this in his address to the Veterans of Foreign Wars in 1950. Senator Knowland of California took the same position in an article in *Colliers* for October 1, 1954: "We must be willing to fight now." "The best chance we have for peace now and over the long stretch is to stop Communism in its tracks." "We and our allies must, as quickly as possible, draw a line in Asia and notify the Communists that if they cross it, they must fight. When I say fight, I don't mean fight in another little war."

Senator Knowland and his powerful backers, including top-ranking military leaders, are prepared to fight an atomic war in order to clinch United States Big Business domination in Asia and the Pacific.

3 Xmas Gift Offers

1	New sub _____	\$3	} both for \$3
	"The Truman Era" _____	\$3	
	Total _____	\$6	

WE want to increase our circulation. YOU have to solve your Xmas gift problem. Here's a way of doing both at a big saving:

For every NEW sub you send us, we will give you, ABSOLUTELY FREE, a copy of I. F. Stone's book, THE TRUMAN ERA (list price, \$3.00). You may send the sub to one address, the book to another, and a gift card to each. You get a \$6 value for only \$3—and you take two names off your gift list.

Send as many new subs as you like—A FREE BOOK IS YOURS WITH EVERY ONE OF THEM.

Suggested order form

I enclose \$3.00

Send sub to:

Name _____ Address _____
City _____ Zone _____ State _____

Send "Truman Era" to:

Name _____ Address _____
City _____ Zone _____ State _____

Gift card to each from _____

2 SIX MONTHS TRIAL SUB—\$1

Send us as many names of friends who should be reading MR as you like, with a dollar for each name. We will send them the magazine for 6 months with a gift card from you.

3 MR PAMPHLET PACKET—\$1

8 pamphlets, 250 pages (list price \$1.95) for only \$1. We will send a gift card to each recipient if you so desire.

Send your order, with payment enclosed, to
MONTHLY REVIEW • 66 Barrow Street • New York 14, N. Y.

(continued from inside front cover)

another. Suppose you have ten people on your list, all you have to do is send us five new subs and collect your bonus of five books. Cost to you—\$15; return—\$30 worth of the best reading matter. We hope this offer will prove irresistible.

Some of you, of course, are strapped for cash and may still want to help MR. For you, we have another Xmas offer, a six-month trial gift sub to any new reader for only \$1.

Still another possibility. Up to now, our one-dollar Pamphlet Packet has contained seven pamphlets, with a total list price of \$1.75. In the course of this year, MR Press has published two additional pamphlets, *The Roots and Prospects of McCarthyism* and *What Every American Should Know About Indo-China*. We are substituting these two for one out of print, making a new Pamphlet Packet of eight pamphlets. The list price goes up to \$1.95, but the cost to you remains at one dollar. No better Xmas present available anywhere at so low a price.

We are planning a meeting under joint sponsorship of MR and *I. F. Stone's Weekly* on the Sweezy case. The date has tentatively been set for November 29th. Readers in the New York area should save the date. A final announcement will be mailed out later on. At that time, a full report on the case up to date will be made by Leo Huberman, and speakers will include Paul Sweezy, I. F. Stone, and Professor H. H. Wilson.

In responding to the Associates appeal, B. L. Coleman, whose "Reminiscences of a Veteran" we published in the August issue, wrote us a letter which reads in part:

Someone has said something about "Better to light one candle than to curse the darkness." There are times when it seems that total and absolute darkness is about to descend on us, but always there are some to light candles and keep them burning.

I derive a great amount of satisfaction from your little magazine—more than I have ever found in any socialist periodical. It isn't so much the subject matter, though much of it is excellent. Primarily, it is a matter of attitude and point of view.

We especially appreciate this letter because we have long felt that what ails the American Left is in no small measure a matter of attitude and point of view, and we have always hoped that in just this respect MR might have an important contribution to make.

Quote from the letter of the month: "The September issue is a dandy. What a wonderful job you are doing! There is nothing that can compare with MR, and we boost it all the time." Go thou, and do likewise.

REMINDER—Save every Tuesday in November for

SCOTT NEARING

at Cornish Arms Hotel, 311 W. 23 St., New York City

6:30- 8 P.M.—THE SOCIAL CRISIS

Single lectures \$1.10 (sold at door)

Course tickets \$3.50 each course;

8:30-10 P.M.—WORLD EVENTS

for Associates \$2.50

MONTHLY REVIEW *Associates*

invites you to renew your subscription to MR automatically, and at the same time:

- help support the magazine and extend its influence as one of the few remaining voices of progress
- attend, free of charge, lectures and forums, sponsored by the Associates (reduced rates to Scott Nearing lecture courses)
- receive, without cost, all pamphlets published by MR

Whether your subscription expires with the next issue—or not for another year—makes no difference. Joining the Associates now adds a full year to your present subscription.

To

renew your subscription to MR
help MR grow

JOIN NOW

MONTHLY REVIEW ASSOCIATES
66 Barrow Street, New York 14, N. Y.

I enclose _____ dollars. Please enroll me as an MR Associate.

Check category (annual) below.

- ☐ \$ 6 - \$14 Contributing Associate
☐ \$ 15 - \$49 Supporting Associate
☐ \$ 50 - \$99 Sustaining Associate
☐ \$100 and over Foundation Associate

Note: A copy of "The Truman Era" by I. F. Stone will be sent FREE to anyone becoming a Supporting Associate or better (\$15 or more).

Name _____

Street _____

City _____ Zone _____ State _____

Please make your check payable to Monthly Review Associates

